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Tennessee Cotton Production Up 9 Percent

Tennessee: Cotton production is forecast at 970,000 bales, up 20,000 from November, and 9 percent above last year's production. Yield is expected to average a record high 862 pounds per acre, up 56 pounds from 2003. Mostly wet conditions during November have kept producers behind in harvest progress as they have waited for drier field conditions to finish their cotton harvest. Despite difficulties in getting their crop harvested, producers have been very happy with yields. With such a late harvest, ginning isn't expected to be completed until early 2005.

U.S. Cotton: All cotton production is forecast at a record high 22.8 million 480-pound bales, up 1 percent from the November 1 forecast and 25 percent above last year's production. Yield is expected to average a record high 828 pounds per harvested acre, surpassing the previous record of 730 pounds set in 2003. Record high yields are expected in Arkansas, California, Mississippi, Missouri, New Mexico, North Carolina, Oklahoma, Tennessee, and Texas. Harvested area, at 13.2 million acres, is unchanged from November but 10 percent above 2003.

Cotton Summary: Tennessee & U.S. Yield and Production, 2003 and Forecasted December 1, 2004

Crop	Yield Per Acre			Production ¹	
	2003	2004		2003	2004
		November 1	December 1		
Pounds			1,000 Bales ²		
Tennessee					
Upland Cotton	806	844	862	890	970
United States					
All Cotton	730	818	828	18,255	22,815
Upland	723	808	818	17,823	22,095
American-Pima	1,170	1,366	1,366	432	720
Cottonseed ³				6,665	8,344

¹ Production ginned and to be ginned. ² 480-Lb. net weight bales. ³ Production in 1,000 tons; 2004 production based on a 3-year average lint-seed ratio.

Cotton Ginnings: Running Bales Ginned(Excluding Linters) Prior to December 1, Crop Years 2001-2004

State	Running Bales Ginned			
	2001	2002	2003	2004
All Cotton				
AL	641,950	427,000	622,900	654,150
AZ	431,250	397,300	290,450	354,900
AR	1,715,000	1,501,150	1,609,150	1,766,150
CA	1,521,450	1,326,750	1,118,150	1,457,400
FL	105,600	44,900	96,800	77,750
GA	1,518,150	1,029,400	1,422,900	1,399,200
KS ¹			16,500	5,100
LA	1,019,500	716,800	1,023,450	862,500
MS	2,127,550	1,691,850	1,983,700	2,099,050
MO	635,050	534,750	580,950	692,800
NM	53,500	34,850	36,000	30,950
NC	1,080,250	578,150	729,500	1,104,400
OK	130,100	132,650	117,450	130,850
SC	344,950	82,300	209,600	295,750
Tennessee	903,400	723,250	739,350	815,250
TX	3,207,900	3,084,200	2,789,450	2,862,050
VA	128,500	62,350	79,600	113,900
US	15,564,150	12,367,650	13,465,900	14,722,150

¹ Withheld to avoid disclosing individual gins.

November Chicken & Eggs: U.S. egg production totaled 7.46 billion during November 2004, up 2 percent from last year. Production included 6.42 billion table eggs, and 1.04 billion hatching eggs, of which 980 million were broiler-type and 59 million were egg-type. The total number of layers during November 2004 averaged 343 million, up 2 percent from a year earlier. November egg production per 100 layers was 2,170 eggs, up slightly from November 2003.

Layers on Hand and Eggs Produced, Selected States and United States, During November 2003 and 2004

Selected States	Table Egg Layers in Flocks 30,000 or more		All Layers ¹		Eggs per 100 for All Layers ¹	
	2003	2004	2003	2004	2003	2004
	Thousands				Number	
Alabama	2,081	1,901	9,364	9,300	1,901	1,871
Arkansas	4,341	4,168	14,637	14,196	1,886	1,874
Georgia	11,416	11,148	20,499	20,079	2,059	2,092
North Carolina	3,425	3,295	10,769	10,826	1,913	1,921
All Other States ²	253,558	259,179	283,014	289,076	2,206	2,209
United States	274,821	279,691	338,283	343,477	2,166	2,170

¹ Includes all layers and eggs produced in both table egg and hatching egg flocks regardless of size. ² Tennessee included in other states.

U.S. Livestock Slaughter: Cattle slaughter totaled 2.54 million head, up 4 percent from November 2003. The average live weight was up 35 pounds from the previous year, at 1,271 pounds. Calf slaughter totaled 68,000 head, down 13 percent from November 2003. The average live weight was 14 pounds above last year, at 336 pounds. Hog kill totaled 8.96 million head, 4 percent above November 2003. The average live weight was 1 pound above the previous year, at 270 pounds. Sheep slaughter totaled 242,100 head, 3 percent above last year. The average live weight was 136 pounds, down 2 pounds from November a year ago.

Livestock Slaughter¹: United States, November 2003 and 2004

Species	Number Slaughtered		Total Live Weight		Average Live Weight	
	2003	2004	2003	2004	2003	2004
	1,000 Head		1,000 Pounds		Pounds	
Cattle	2,434	2,541	3,008,512	3,228,842	1,236	1,271
Calves	78	68	25,110	22,843	322	336
Hog	8,597	8,964	2,316,151	2,416,669	269	270
Sheep	236	242	32,538	32,934	138	136

¹ Includes slaughter under Federal inspection and other commercial slaughter (excludes farm slaughter).

President Bush Nominates Governor Mike Johanns as Secretary of Agriculture

WASHINGTON, D.C., December 2, 2004 -- President Bush nominated Nebraska Governor Mike Johanns as Secretary of Agriculture. President Bush stated, "Governor Johanns is an experienced public service -- servant from America's agricultural heartland. As a son of Iowa dairy farmers, he grew up close to the land. He will bring to this position a lifetime of involvement in agriculture, and a long record of a faithful friend to America's farmers and ranchers. He will lead an important agency with the executive skill he has learned as mayor and as a two-term governor of Nebraska."

At the press conference held in the Roosevelt Room at the White House, Mr. Johanns remarked, "Mr. President, you have said that agriculture is the cornerstone of our economy, and that the strength of agriculture contributes to the strength of our great nation. As governor of a state that is the fourth largest exporter of agriculture products, I've been able to witness firsthand your leadership and I have been able to see your commitment to strengthening the nation's agriculture community. Your administration and the fine men and women of the Department of Agriculture have strengthened America's food and agriculture system for the benefit of farmers and ranchers, rural communities, the environment and the American consumer."

Supporting the President's nomination, current Secretary of Agriculture, Ann Veneman had the following to say, "The President selected an outstanding leader today who has a distinguished career in public service and a clear understanding of agriculture and farm policies."

Confirmation is expected in a Senate hearing next month.

State Supports Efforts to Protect Tobacco Farmer Payments

NASHVILLE, Tenn, December 17, 2004 -- Nearly 50,000 Tennessee tobacco farmers and quota owners won't be getting a tobacco trust settlement check this month as expected due to legal challenges by three leading tobacco manufacturers. State Agriculture Commissioner Ken Givens today affirmed the state's support of Tennessee farmers' claim to nearly \$32 million in trust payments that are owed to them at the end of the year.

"A deal is a deal," said Givens. "Governor Bredesen understands and believes that Tennessee tobacco farm families have a reasonable expectation to annual, uninterrupted payments during this period of transition to the buyout. He supports efforts by our department and the Attorney General's office to see that the state's and farmers' interests are fully represented in this matter. "If farmers are forced to forfeit this year's payment, it could mean financial hardship for many whose livelihood is on the line."

At issue is a claim by the three largest tobacco manufacturers, Philip Morris, R.J. Reynolds and Lorillard, that they are entitled to a refund of \$333 million paid into the National Tobacco Growers Settlement Trust (Phase II fund) this year and a credit on another \$105 million due this month. Manufacturers say they are entitled to the 2004 trust funds because recently passed federal legislation to "buyout" the federal tobacco price support system represents a double financial obligation for the companies under trust language.

Tennessee is among 14 tobacco-growing states to join the national trustee, JP Morgan Chase, in opposing the manufacturers, stating that provisions of the buyout are not effective until 2005, and therefore do not trigger refund or credit provisions of the trust agreement in 2004.

"The tobacco companies should honor their commitment to tobacco growing communities by immediately paying the money they owe to tobacco growers and quota holders," said Tennessee Attorney General Paul G. Summers. "If they don't go ahead and pay up, they are violating the intent of Phase II and the federal buyout legislation. The Attorney General's Office will continue to vigorously defend the Board and the Phase II program."

A court hearing is set for Dec. 20 to decide the matter in North Carolina Business Court, the court of jurisdiction over the Phase II program. But regardless of the outcome, state officials expect the matter to be appealed.

"Unfortunately, we cannot predict a time for these payments, but we are working closely with the trustee and the other states," said Givens, who also serves as the vice-chairman of the Tennessee Tobacco Farmers Certifying Board. The board oversees the trust distribution plan for Tennessee and sets the payment rates for certified burley tobacco growers and quota owners.

"The tobacco board is completing the certification process and is prepared to forward payment files to the trustee so that checks can be mailed as soon as these funds are released. This payment is critical to thousands of farm families who are caught in the middle, and we're doing all we can to see that it happens."

In 1998, the Phase II trust fund was established under an agreement among the 14 tobacco-growing states and major tobacco manufacturers to help offset anticipated market losses to farmers as a result of the Master Settlement Agreement. Tennessee's annual share of the trust is based on the state's percentage of the national production of burley tobacco, which is used in cigarette manufacturing. Tennessee burley tobacco growers and quota owners have received approximately \$140 million over the past five years of a projected 12-year, \$380 million payout. Trust payments are expected to end as a result of the buyout and beginning with the 2005 crop year.

In the event that Phase II funds are released for distribution, Tennessee tobacco growers and quota owners can check their certification status by calling toll-free 1-877-332-0711. More information about the tobacco trust in Tennessee can be found online at picktnproducts.org/trust.

Commercial Floriculture Survey to be Conducted

USDA's Tennessee Agricultural Statistics will conduct the Commercial Floriculture Survey at the beginning of 2005 for the reference year 2004. This survey will be used to produce reliable data on key items such as area of production, product sold, and value of sales. Leaders from the floriculture industry encourage your participation in this survey, knowing it is crucial to have accurate statistics for their industry. Results from the Commercial Floriculture Survey are scheduled for release on April 26, 2005.

NASS works with growers and producers to provide meaningful, accurate, and objective statistics that help keep U.S. agricultural industries informed. Growers gain important benefits from providing their responses to this survey. The results are official USDA estimates and will help ensure information is available to the public and the industry on commercial floriculture production. Summarized results help measure the economic contribution of the floriculture industry to the U.S. economy and will provide accurate industry statistics that will be crucial to obtaining research funding and government support on various issues.

"We safeguard the confidentiality of all survey responses," said Debra Kenerson, Director. "Data from individual operations are combined with other responses to provide the needed data. We will not disclose any data about an individual operation."

You can view commercial floriculture statistics on the NASS Homepage at www.usda.gov/nass. For additional information, e-mail nass-tn@nass.usda.gov or call 1-800-626-0987. To order a printed copy of any NASS report, call the NASS Order Desk at 1-800-999-6779.

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